



File Code: 3200

Date:

Route To:

Subject: Fiscal Year 2011 Project Selection Process for the Forest Legacy Program

To: Regional Foresters, Area Director, and IITF Director

REPLY DUE NOVEMBER 30, 2009

The fiscal year (FY) 2011 project selection process for the Forest Legacy Program (FLP) will be competitive, merit-based, and coordinated by the Washington Office (WO). The final project list will be submitted to the Office of Management and Budget, through the Department of Agriculture, for consideration in the President's Budget. The process to complete the final project selection will be as follows:

Step 1: Projects Submitted for Funding Consideration

Due: November 30, 2009

Each Region, Area, and Institute (R/A/I) will work with State Lead Agencies to ensure that all proposed projects are entered into the Forest Legacy Information System (FLIS) by November 30, 2009. The States can submit up to three projects, not to exceed a total of \$10,000,000 (individual projects cannot exceed \$7,000,000). The State Lead Agency is responsible for data entry and accuracy. The R/A/I is responsible for reviewing and validating the information for each project. All projects must meet the following criteria:

- Be reviewed, evaluated and prioritized by the State's Forest Stewardship Coordinating Committee and approved by the State Lead Agency;
- Be consistent with the State's Assessment of Need (AON) goals;
- Be located within a designated Forest Legacy Area; and
- Be within the funding limits described above.

The information provided for each project should include:

- The State's priority rank;
- List of supporting tracts in order of priority;
- Estimated project costs, which should not exceed \$7,000,000;
- Estimate cost-share, which should be at least 25 percent of the total project cost;
- Estimated costs of each tract rounded to the nearest \$5,000; and
- Project description in FLIS.

The R/A/I should advise the State Lead Agencies that the scoring guidance (Enclosure 1) has been updated, and should use it when entering project information into FLIS. In addition, the State Lead Agencies should be advised that in FY 2009, Congress appropriated funds for 24 projects plus three new state start-ups (21 states receiving project funds, with three states receiving funds for two projects), with a funding average of \$2,089,000 per project and a funding range of \$510,000 to \$3,670,000.



Regional Foresters, Area Director, and IITF Director

Step 2: Regional Project List

Due: November 30, 2009

Each R/A/I will submit to the WO a list of recommended projects and supporting information. This list and supporting materials should be developed to facilitate the national selection process. The following information should also be provided with the project list:

- For phased projects, indicate which phase of the project is being considered this year. Individual phases will compete each year as stand alone projects against all other proposed projects.
- Identify any projects that must be funded in their entirety and cannot be phased.
- Include funding (\$500,000) for all new (first-year) States as a one-time start-up initiative.

Step 3: Project Briefs for National Review Panel

November 30, 2009

The WO will compile all project briefs from FLIS for distribution to National Review Panel members to be distributed on December 8, 2009. These documents will be the primary source of project information used by the National Review Panel to score and rank the projects. The package will include:

- Project Briefing Sheets
- Regional project list, and
- Scoring guidance (Enclosure 1)

In addition, the National Review Panel will receive project backlog information and average duration for a state to close projects, compiled as of January 7, 2010.

Step 4: National FLP Project List

January 13-14, 2010

The WO will convene a National Review Panel to facilitate the development of a National Project List. The panel will include three Forest Service WO representatives, three R/A/I representatives, and four State Lead Agency representatives. The panel will review and rank the projects based on the scoring guidance. In addition, the review panel will pay particular attention to the amount of unspent funds each state has in outstanding grants, and is most concerned with funding from 2007 and earlier. There is the potential that a state's project will not be recommended for funding if that state has a significant backlog in unspent funds.

In the event that a significant change to a submitted project (project phasing, funding reduction, or selection out of state priority order) is being considered by the panel, an attempt will be made to consult with the affected state. It is recommended that State Forest Legacy Program Managers be available to answer questions and provide information during the timeframe of this meeting.

Regional Foresters, Area Director, and IITF Director

Step 5: Submit National FLP Project List to OMB/Congress

January 29, 2010

The final Project List will be submitted to the State and Private Forestry (S&PF) Deputy Chief for approval. Then, the S&PF Deputy Chief will obtain clearance for the FLP list in accordance with deadlines for the release of the President's budget in early February.

The S&PF Deputy Chief will provide the House and Senate Appropriations Committees the Project List and accompanying project briefing materials after the release of the President's Budget.

If you have questions, please Kathryn Conant at (202) 401-4072 or Nancy Parachini at (202) 205-1618.

PAUL RIES
Director, Cooperative Forestry

Enclosure

Cc: Kathryn Conant

FOREST LEGACY PROGRAM

PROJECT SCORING GUIDANCE

(May 22, 2009 - updated)

Introduction:

This document provides guidance to the National Review Panel on how to score individual Forest Legacy Program (FLP) projects, including additional clarification on the core national criteria, project readiness and other evaluation considerations used in this process. The outcome from the National Review Panel will be a ranked and prioritized list of FLP projects for submission to the Office of Management and Budget for consideration in the President's Budget. Its objectives are to:

- Provide a clear and defensible ranking process that can be articulated easily to program participants and partners; and
- Ensure fair, equitable and thorough review of all projects by the National Review Panel

National Project Selection:

- A multi-tract project should be scored based on how all the tracts fit within the criteria. For example, if only one tract meets the highest point criteria, the project will not likely obtain the highest points.

Region/Area/IITF Role:

- Work with States to produce highly competitive FLP projects
- Work with States to produce projects that are "Ready"
- Work with States to assure that all pertinent project information is in FLIS
- Learn and understand project details
- Assure that projects meet Statewide Assessment and Resource Strategy objectives (or Assessment of Need if the Statewide Assessment has not been completed)
- Confirm that projects have been reviewed and evaluated by the State Forest Stewardship Coordinating Committee
- Assure that projects comply with June 30, 2003 FLP Implementation Guidelines
- Work with States to advance top projects to the national selection process
- Work with States to identify which projects can be phased and the funding threshold. (However, the funding level for recommended project will not automatically be decreased by the National Review Panel if a lower funding threshold is provided.)

Washington Office Role:

- Work with regions/area/IITF to produce highly competitive FLP submissions
- Ensure that project selections meet congressional direction
- Ensure that project selections meet national program goals

National Review Panel Role:

- Score projects using the national core criteria (Importance, Threatened, and Strategic)
- Apply "Readiness" point and additional consideration
- Develop a National List of ranked projects

National Core Criteria:

Importance – This criterion focuses on the attributes of the property and the environmental, social, and economic public benefits gained from the protection and management of the property and its resources. This criterion reflects the ecological assets and the economic and social values conserved by the project and its level of significance. National significance is typically viewed as activities that support Federal laws (such as Endangered Species Act, Safe Drinking Water Act, and Clean Water Act) or interstate/international resources (such as migratory species, or trail and waterways that cross state or international boundaries).

More points will be given to projects that demonstrate multiple public benefits with national significance. A project need not have all the attributes listed to receive maximum points for this category, but projects with multiple attributes of national significance should receive more points.

- *High importance* (21-30 points) – The project protects multiple public benefits with national significance;
- *Medium* (11-20 points) – The project protects some public benefits with national or state significance; or
- *Low* (0-10 points) – The project protects public benefits with state or local significance.

Attributes to consider: The descriptions listed represent the ideal project for each attribute.

Economic Benefits from Timber and Potential Forest Productivity – This category includes three independent components: (1) Landowner demonstrates sustainable forest management in accordance with a management plan. Additional points should be given to land that is third party certified (such as Sustainable Forestry Initiative, Forest Stewardship Council, and American Tree Farm System). (2) Forestry activities contribute to the resource-based economy for a community or region. (3) The property contains characteristics (such as highly productive soils) to sustain a productive forest. (Strategic Direction Goal 2.3)

Economic Benefits from Non-timber Products – Provides non-timber revenue to the local or regional economy through activities such as hunting leases, ranching, non-timber forest products (maple syrup, pine straw, ginseng collection, etc.), guided tours (fishing, hunting, birdwatching, etc.), and recreation and tourism (lodging, rentals, bikes, boats, outdoor gear, etc.).

Threatened or Endangered Species Habitat – The site has documented threatened or endangered plants and animals or designated habitat. Federally listed species will be given more consideration than state-only listed species. (Strategic Direction Goal 2.3)

Fish, Wildlife, Plants, and Unique Forest Communities – The site contains unique forest communities and/or important fish or wildlife habitat as documented by a formal assessment or wildlife conservation plan or strategy developed by a government or a non-governmental organization. (Strategic Direction Goal 2.3)

Water Supply and Watershed Protection – (1) Property has a direct relationship with protecting the water supply or watershed, such as provides a buffer to public drinking

water supply, contains an aquifer recharge area, or protects an ecologically important aquatic or marine area, and/or (2) the property contains important riparian area, wetlands, shorelines, river systems, or sensitive watershed lands.(Strategic Direction Goal 2.1)

Public Access –Protection of the property will maintain or establish access by the public for recreation; however, restrictions on specific use and location of recreational activities may exist. (Strategic Direction Goal 2.3)

Scenic – The site is located within a viewshed of a government designated scenic feature or area (such as trail, river, or highway).

Historic/Cultural/Tribal – The site contains features of historical, cultural, and/or tribal significance, formally-documented by a government or a non-governmental organization.

Threatened - This criterion estimates the likelihood for conversion. More points will be given to projects that demonstrate multiple conditions; however, a project need not have all the conditions listed to receive maximum points for this category. During the evaluation of threat, a good land steward interested in conserving land should not be penalized.

Legal Protection- The degree of legal protections that currently exists on the property (e.g. current zoning or existing easements), whether these protections remove the threat of conversion, and to what extent.

Land and Landowners Circumstances – land and landowner circumstances such as property held in an estate, aging landowner, future property by heirs is uncertain, property is up for sale or has a sale pending, landowner has received purchase offers, land has an approved subdivision plan, landowner has sold subdivisions of the property, etc.

Adjacent Land Use- adjacent land use characteristics such as existing land status, rate of development growth and conversion, rate of population growth (percent change), rate of change in ownership, etc.

Ability to Develop- physical attributes of the property that will facilitate conversion, such as access, buildable ground, zoning, slope, water/sewer, electricity, etc

Third Party Ownership- If property has been acquired by a third party at the request of the state, threatened will be evaluated based on the situation prior to the third party acquisition.

- *Likely* (11-20 points) - Multiple conditions exist that make conversion to non-forest uses likely.
- *Possible* (1-10 points) - A few conditions exist that make conversion to non-forest uses possible.
- *Unlikely* (0 points)- Current conditions exist that make conversion to non-forest uses unlikely.

Strategic - This criterion reflects the project’s relevance or relationship to conservation efforts on a broader perspective. When evaluating strategic, three considerations should be made: 1) the scale of a conservation plan, 2) the scale of the project’s contribution to that

plan, and 3) the placement of the parcel within the plan area. (FLP Strategic Direction 1.1, 1.2, and 1.3)

Attributes to consider:

Conservation Strategy- How the project fits within a larger conservation plan, strategy, or initiative as designated by either a government or non-governmental entity.

Compliment Protected Lands- How the project is strategically linked to enhance already protect lands including past FLP projects, already protected Federal, State, or non-governmental organization lands, or other Federal land protection programs (NRCS, NOAA, etc).

- *High* (21-30 points) - The property significantly advances a landscape-scale or watershed-based conservation strategy through infill and/or key linkages and supports previous conservation investments.
- *Average* (11-20 points) - The property makes a modest contribution to a conservation effort and is near already protected lands.
- *Low* (0-10 points) - The property is not part of a conservation plan, but will lead to locally-focused conservation effort.

Additional Considerations

The following are items that will be considered by the panel as a whole, and not by the individual panel members when scoring projects.

1. The National Review Panel is not bound by the state priority ranking of projects. If the National Review Panel ranks projects out of a state's priority order, then the panel will call that state to discuss the situation. However, the panel will not move a lower ranked project up the list.
2. The National Review Panel will pay particular attention to the amount of unspent funds each state has in outstanding grants. There is the potential that a state's project will not be recommended for funding if that state has a significant backlog in unspent funds.
3. The National Review Panel will consider the state's capacity when developing the final list of ranked projects and associated funding levels (e.g. no state coordinator, does not have resources to monitor conservation easements,).
4. The National Review Panel will **give one (1) additional point** added to the average panel score for projects that have leveraged 50% match, or greater.
5. The National Review Panel will **give one (1)additional point** added to the average panel score for projects that have a project readiness score of 5 or greater.

Project Readiness is defined as the degree of due diligence applied and the certainty of a successful FLP project. To demonstrate project readiness, completed items need to be specified (including completion date) in FLIS and credit will only be given to those items completed (one tally for each completed item, with a maximum tally of 7. Projects with multiple tracts will need to have the majority of their tracts have the completed task before a tally is given):

1. Information has been documented to support cost estimate, such as completed market analysis or preliminary appraisal.

2. Landowner and easement holder have agreed to easement or fee acquisition conditions.
3. Cost Share commitment has been obtained from a specified source.
4. A signed option or purchase and sales agreement is held by the state or at the request of the state. **OR** At the request of the State, conservation easement or fee title is held by a third party.
5. Title search is completed.
6. Minerals determination is completed.
7. Stewardship plan or multi-resource management plan is completed.